Protection for domestic steel industry

1703. SHRI C. RAMACHANDRAIAH: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the domestic steel industry consumes around 55 MT of iron ore whereas nearly 105 MT is exported;

(b) if so, whether Government has received any plea from any quarter of the industry and the work force involved in the production of domestic steel to ban the iron ore exports which are expected to be depleted by the year 2035 AD;

(c) if so, whether Government is contemplating either to ban or levy export duty on iron ore to protect the domestic interests and also discourage exports;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) No, Sir. During the year 2006-07, domestic steel industry consumed about 68.504 million tonne of iron ore (Estimated) whereas 93.79 million tonne of iron ore was exported (Provisional).

(Source: Ministry of Mines for domestic consumption and Department of Commerce for Export)

(b) Government has been receiving pleas from some sectors especially steel manufacturers for regulating the export of iron ore.

(c) to (e) Government of India has imposed an export duty of Rs. 300/- per tonne on export of all varities of Lumps and on export of iron ore fines having Fe content more than 62%. Export duty of Rs. 50/- per tonne has been imposed on iron ore fine having Fe content 62% and below.

Rising steel import

1704. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that steel import have short up by 4.18 million tonnes during April-November, 2007 as against 2.3 million tonnes imports during the same period in 2006, marking an increase of 77 per cent;

(b) whether his Ministry has expressed serious concern over this rising steel imports and warned that unless production of alloy grew, it would spell crisis for the domestic steel industry; and

(c) what steps Government has taken to increase new steel capacities and to avoid high steel imports?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) Yes, Sir.

(b) The growth in steel sector is driven by the growth in the Indian economy. The Indian economy has been growing at a sustained rate of 8%-9% per annum. The increase in the import of steel has been primarily to meet the additional domestic demand for steel not fulfilled by existing domestic production capacity and, hence, it will not create crisis in the domestic steel industry. Nonetheless, the Government constantly monitors the import of steel and takes appropriate steps whenever the need arises.

(c) In order to promote the domestic steel industry, the Government has taken various steps notable among them being the constitution of an Inter-Ministerial Group to monitor and coordinate the issues concerning major steel investments in the country related to

infrastructure, raw material supply, environmental clearance and other resources constraints. Memoranda of Understanding (MoUs) have been signed with various State Governments for setting up of nearly 243 million tonnes of steel capacities in the country.

Steel is deregulated sector and the market determines import of steel. Nonetheless, Ministry of Steel is monitoring the import and export statistics of steel with the help of the Directorate General of Systems, Customs & Central Excise (DGSE&CE). A system has been devised whereby Joint Plant Committee (JPC) under the Ministry of Steel has been authorized to access the data relating to import of iron and steel on daily basis from the Indian Customs and Central Excise Electronic Commerce/Electronic Data Interchanged (EC/EDI) Gateway (ICEGATE). In case increase in import of any commodity proves detrimental to the domestic industry, the Designated Authority in the Directorate General of Anti Dumping and Allied Duties functioning in the Department of Commerce takes appropriate measures in consultation with the concerned Ministry.

Employment to displaced persons in VSP

1705. SHRI NANDI YELLAIAH: Will the Minister of STEEL be pleased to state:

(a) the reasons for providing jobs in Visakhapatnam Steel Plant only for 6310 displaced persons while 14,827 were registered during 1971;

(b) the detailed plan of Government to accommodate the remaining displaced persons;

(c) whether Government would assure of accommodating remaining eligible displaced persons by relaxing age upto 40 years for general, 42 years for OBC and 45 years for SC/ST when the plant is expanding now and assure of paying rupees ten lakhs aeach to noneligible displaced persons; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) and (b) After detailed deliberations at various levels, the Visakhapatnam Steel Plant (VSP) had given a commitment to provide employment to a maximum number of 5000 displaced persons affected on account of acquisition of lands. As against this commitment, 6310 displaced persons have been employed and thus, the commitment has been more than fulfilled. Moreover, 2956 displaced persons have been engaged with contracting agencies working for VSP.

(c) and (d) The upper age limit for recruitment of candidates against notified posts of Trainee Khalsi and Junior Trainee is 25 yrs. RINL had extended relaxation of this upper age limite to displaced persons by another 10 years. With this relaxation, the upper age limit for displaced persons in the general category is 35 years, OBC-38 years and SC/ST-40 years. A further relaxation of 10 years is also given to physically handicapped candidates. Thus, additional age relaxation to displaced persons exclusively may not be feasible.

Private steel factories in Orissa

†1706. SHRI RUDRA NARAYAN PANY: Will the Minister of STEEL be pleased to state:

(a) whether the expansion work of Rourekala Steel Plant (RSP) at Orissa has been started;

(b) if so, the details thereof;

(c) whether the Central Government is aware that a number of private steel factories have come up in Orissa; and

† Original notice of the question was received in Hindi.